



TO: Outreach Partners and Interested Parties

FROM: *Prescription Advantage*

Date: November 21, 2006

BULLETIN

This bulletin is one in a series of routine updates regarding Prescription Advantage . These notices are designed to inform a broad network of outreach partners and other interested parties about Plan updates affecting both current and future Plan members.

Plan Change Letters for Non-Medicare Members

Next week Prescription Advantage members will receive a letter that explains how their Prescription Advantage benefits will work in 2007.

Changes to benefits in 2007 include new out-of-pocket spending limit amounts. These limits place a cap on the amount a member will pay for co-payments. Once a member reaches the spending limit amount, Prescription Advantage will cover the co-payments for the remainder of the Plan year for all drugs covered by Prescription Advantage.

There are no changes to co-payment and quarterly deductible amounts .

Sample letters are attached.



November 2006
Member Name
Street Address
City, State Zip Code

Dear <member's name>:

The new Prescription Advantage plan year begins on January 1, 2007. This letter explains how your Prescription Advantage benefits will work in 2007 (note that you are currently enrolled in **membership category 1**).

In addition, Prescription Advantage regularly reviews the rates paid by members toward premiums, deductibles and co-payments. These rates are based on gross annual household income and are adjusted as necessary to meet the needs of the Plan and its members. Although only some rates have changed, all of your individual rates are listed below for your reference. These rates will become effective on **January 1, 2007**.

- Your monthly premium will be: **\$ 0**
- Your quarterly deductible will be: **\$ 0**
- Your co-payments for up to a 30-day supply purchased at a retail pharmacy:
 - Generic Drugs (Level 1) **\$ 7**
 - Brand Name Drugs (Level 2) **\$ 18**
 - Additional Brand Name Drugs (Level 3) **\$ 40**
- Your co-payments for up to a 90-day supply purchased through mail service:
 - Generic Drugs (Level 1) **\$ 14**
 - Brand Name Drugs (Level 2) **\$ 36**
 - Additional Brand Name Drugs (Level 3) **\$ 80**
- Your Annual Out-of-Pocket Spending Limit:

Once the total amount you spend on co-payments reaches **\$660.00**, you will not be required to pay anything for your prescription drugs. Prescription Advantage will cover your co-payments for the remainder of the Plan year for all drugs covered by the Plan. **If the out-of-pocket spending limit creates a financial hardship for you, you may request Reconsideration by completing the enclosed form.**



Please note that you are responsible for reporting any changes to the information provided in your application, such as changes to your address, Medicare status or your income, to Prescription Advantage. Failure to do so may result in the termination of your benefits.

If you have any questions, please call customer service at 1-800-AGE-INFO (1-800-243-4636) or TTY (toll free) for the deaf and hard of hearing at 1-877-610-0241.

Sincerely,

Prescription Advantage

Reconsideration of Out-of-Pocket Spending Limit

Upon receipt of this form, Prescription Advantage will review your request. A decision will be made regarding your request within 15 business days of receipt. Please complete all required information and sign where indicated.

“Meeting the \$660 annual out-of-pocket spending limit creates a financial hardship for me because...”
Please check one of the reasons listed below.

☐

I earn no income and receive financial support from another source.

☐

Other (Please explain why this annual out-of-pocket spending limit would create a financial hardship for you in the space provided below, or use a separate sheet of paper, if necessary. Include any documentation that would support your claim and be sure to include your signature on the line indicated.)

X

Date:

Signature of member (or Authorized Representative if the member is unable to sign)

If you selected **“I earn no income”**, please provide the name and address of the person who provides your financial support.

Name_____

Address_____

City, State, Zip_____

If you are the person financially responsible for the member, please read the following and sign where indicated.

I hereby certify, under the pains and penalties of perjury, that I am financially responsible for the member submitting this form and will provide any documentation to Prescription Advantage that may be requested to substantiate this claim.

X

Date:

Signature individual providing financial support for the member



November 2006

Member Name
Street Address
City, State Zip Code

Dear <member's name>:

The new Prescription Advantage plan year begins on January 1, 2007. This letter explains how your Prescription Advantage benefits will work in 2007 (note that you are currently enrolled in **membership category 2**).

In addition, Prescription Advantage regularly reviews the rates paid by members toward premiums, deductibles and co-payments. These rates are based on gross annual household income and are adjusted as necessary to meet the needs of the Plan and its members. Although only some rates have changed, all of your individual rates are listed below for your reference. These rates will become effective on **January 1, 2007**.

- Your monthly premium will be: **\$ 0**
- Your quarterly deductible will be: **\$ 0**
- Your co-payments for up to a 30-day supply purchased at a retail pharmacy:
 - Generic Drugs (Level 1) **\$ 7**
 - Brand Name Drugs (Level 2) **\$ 18**
 - Additional Brand Name Drugs (Level 3) **\$ 40**
- Your co-payments for up to a 90-day supply purchased through mail service:
 - Generic Drugs (Level 1) **\$ 14**
 - Brand Name Drugs (Level 2) **\$ 36**
 - Additional Brand Name Drugs (Level 3) **\$ 80**
- Your Annual Out-of-Pocket Spending Limit:
Once the total amount you spend on co-payments reaches **\$1,325.00**, you will not be required to pay anything for your prescription drugs. Prescription Advantage will cover your co-payments for the remainder of the Plan year for all drugs covered by the Plan.

Please note that you are responsible for reporting any changes to the information provided in your application, such as changes to your address, Medicare status or your income, to Prescription Advantage. Failure to do so may result in the termination of your benefits.

If you have any questions, please call customer service at 1-800-AGE-INFO (1-800-243-4636) or TTY (toll free) for the deaf and hard of hearing at 1-877-610-0241.

Sincerely,

Prescription Advantage



November 2006

Member Name
Street Address
City, State Zip Code

Dear <member's name>:

The new Prescription Advantage plan year begins on January 1, 2007. This letter explains how your Prescription Advantage benefits will work in 2007 (note that you are currently enrolled in **membership category 3**).

In addition, Prescription Advantage regularly reviews the rates paid by members toward premiums, deductibles and co-payments. These rates are based on gross annual household income and are adjusted as necessary to meet the needs of the Plan and its members. Although only some rates have changed, all of your individual rates are listed below for your reference. These rates will become effective on **January 1, 2007**.

- Your monthly premium will be: **\$ 0**
- Your quarterly deductible will be: **\$ 65**
- Your co-payments for up to a 30-day supply purchased at a retail pharmacy:
 - Generic Drugs (Level 1) **\$ 12**
 - Brand Name Drugs (Level 2) **\$ 30**
 - Additional Brand Name Drugs (Level 3) **\$ 50**
- Your co-payments for up to a 90-day supply purchased through mail service:
 - Generic Drugs (Level 1) **\$ 24**
 - Brand Name Drugs (Level 2) **\$ 60**
 - Additional Brand Name Drugs (Level 3) **\$ 100**
- Your Annual Out-of-Pocket Spending Limit:
Once the total amount you spend on your deductible and co-payments reaches **\$1,845.00**, you will not be required to pay anything for your prescription drugs. Prescription Advantage will cover your co-payments for the remainder of the Plan year for all drugs covered by the Plan.

Please note that you are responsible for reporting any changes to the information provided in your application, such as changes to your address, Medicare status or your income, to Prescription Advantage. Failure to do so may result in the termination of your benefits.

If you have any questions, please call customer service at 1 -800-AGE-INFO (1-800-243-4636) or TTY (toll free) for the deaf and hard of hearing at 1 -877-610-0241.

Sincerely,

Prescription Advantage



November 2006

Member Name
Street Address
City, State Zip Code

Dear <member's name>:

The new Prescription Advantage plan year begins on January 1, 2007. This letter explains how your Prescription Advantage benefits will work in 2007 (note that you are currently enrolled in **membership category 4**).

In addition, Prescription Advantage regularly reviews the rates paid by members toward premiums, deductibles and co-payments. These rates are based on gross annual household income and are adjusted as necessary to meet the needs of the Plan and its members. Although only some rates have changed, all of your individual rates are listed below for your reference. These rates will become effective on **January 1, 2007**.

- Your monthly premium will be: **\$ 0**
- Your quarterly deductible will be: **\$ 110**
- Your co-payments for up to a 30-day supply purchased at a retail pharmacy:
 - Generic Drugs (Level 1) **\$ 12**
 - Brand Name Drugs (Level 2) **\$ 30**
 - Additional Brand Name Drugs (Level 3) **\$ 50**
- Your co-payments for up to a 90-day supply purchased through mail service:
 - Generic Drugs (Level 1) **\$ 24**
 - Brand Name Drugs (Level 2) **\$ 60**
 - Additional Brand Name Drugs (Level 3) **\$ 100**
- Your Annual Out-of-Pocket Spending Limit:
Once the total amount you spend on your deductible and co-payments reaches **\$2,205.00**, you will not be required to pay anything for your prescription drugs. Prescription Advantage will cover your co-payments for the remainder of the Plan year for all drugs covered by the Plan.

Please note that you are responsible for reporting any changes to the information provided in your application, such as changes to your address, Medicare status or your income, to Prescription Advantage. Failure to do so may result in the termination of your benefits.

If you have any questions, please call customer service at 1 -800-AGE-INFO (1-800-243-4636) or TTY (toll free) for the deaf and hard of hearing at 1 -877-610-0241.

Sincerely,

Prescription Advantage



November 2006

Member Name
Street Address
City, State Zip Code

Dear <member's name>:

The new Prescription Advantage plan year begins on January 1, 2007. This letter explains how your Prescription Advantage benefits will work in 2007 (note that you are currently enrolled in **membership category 5**).

In addition, Prescription Advantage regularly reviews the rates paid by members toward premiums, deductibles and co-payments. These rates are based on gross annual household income and are adjusted as necessary to meet the needs of the Plan and its members. Although only some rates have changed, all of your individual rates are listed below for your reference. These rates will become effective on **January 1, 2007**.

- Your monthly premium will be: **\$ 0**
- Your quarterly deductible will be: **\$ 220**
- Your co-payments for up to a 30-day supply purchased at a retail pharmacy:
 - Generic Drugs (Level 1) **\$ 12**
 - Brand Name Drugs (Level 2) **\$ 30**
 - Additional Brand Name Drugs (Level 3) **\$ 50**
- Your co-payments for up to a 90-day supply purchased through mail service:
 - Generic Drugs (Level 1) **\$ 24**
 - Brand Name Drugs (Level 2) **\$ 60**
 - Additional Brand Name Drugs (Level 3) **\$ 100**
- Your Annual Out-of-Pocket Spending Limit:
Once the total amount you spend on your deductible and co-payments reaches **\$2,940.00**, you will not be required to pay anything for your prescription drugs. Prescription Advantage will cover your co-payments for the remainder of the Plan year for all drugs covered by the Plan.

Please note that you are responsible for reporting any changes to the information provided in your application, such as changes to your address, Medicare status or your income, to Prescription Advantage. Failure to do so may result in the termination of your benefits.

If you have any questions, please call customer service at 1 -800-AGE-INFO (1-800-243-4636) or TTY (toll free) for the deaf and hard of hearing at 1 -877-610-0241.

Sincerely,

Prescription Advantage



November 2006

Member Name
Street Address
City, State Zip Code

Dear <member's name>:

The new Prescription Advantage plan year begins on January 1, 2007. This letter explains how your Prescription Advantage benefits will work in 2007 (note that you are currently enrolled in **membership category 6**).

In addition, Prescription Advantage regularly reviews the rates paid by members toward premiums, deductibles and co-payments. These rates are based on gross annual household income and are adjusted as necessary to meet the needs of the Plan and its members. Although only some rates have changed, all of your individual rates are listed below for your reference. These rates will become effective on **January 1, 2007**.

- Your monthly premium will be: **\$ 0**
- Your quarterly deductible will be: **\$ 350**
- Your co-payments for up to a 30-day supply purchased at a retail pharmacy:
 - Generic Drugs (Level 1) **\$ 12**
 - Brand Name Drugs (Level 2) **\$ 30**
 - Additional Brand Name Drugs (Level 3) **\$ 50**
- Your co-payments for up to a 90-day supply purchased through mail service:
 - Generic Drugs (Level 1) **\$ 24**
 - Brand Name Drugs (Level 2) **\$ 60**
 - Additional Brand Name Drugs (Level 3) **\$ 100**
- Your Annual Out-of-Pocket Spending Limit:
Once the total amount you spend on your deductible and co-payments reaches **\$4,900.00**, you will not be required to pay anything for your prescription drugs. Prescription Advantage will cover your co-payments for the remainder of the Plan year for all drugs covered by the Plan.

Please note that you are responsible for reporting any changes to the information provided in your application, such as changes to your address, Medicare status or your income, to Prescription Advantage. Failure to do so may result in the termination of your benefits.

If you have any questions, please call customer service at 1 -800-AGE-INFO (1-800-243-4636) or TTY (toll free) for the deaf and hard of hearing at 1 -877-610-0241.

Sincerely,

Prescription Advantage